

## Employment and Cultivation of Human Resources and Human Rights

**Human resources are the very strength of a corporation. We implement measures and policies respecting diversity and human rights.**

The Nitto Group undertakes business in the growing and changing global market through promoting “Global Niche Top™” and “Area Niche Top™” strategies. Overseas regions now account for more than 70% of our sales and employees. Under such circumstances, the keywords are “diversity” and “respect for human rights.” We address employment and the cultivation of human resources while giving great thought to these keywords.

### Employment

Human resources carrying the future of the Group are asked to play even more active roles than ever before. The Nitto Group promotes employment without making any distinction according to nationality or gender, aiming to utilize our human resources to their maximum abilities.

There is a variety of new employees recruited by Nitto Headquarters in fiscal 2014. Seven out of 28 were foreign nationals, while 7 were female. We continue to make positive efforts to recruit female employees.

### Promoting Females to Play Active Roles

The percentage of female management level employees of the Nitto Group is 12%. However, in each area there are noticeable differences. In Japan, where the percentage is notably small, we have been implementing approaches to improve the situation by implementing a project since fiscal 2012.

### Participating in Diversity Workshops

As opportunities in which females can play active roles are lagging in Japan, proposals for enhancement were made by joint initiatives between the public and private sectors. We, the Nitto Group, also aim to promote females to play active roles, and two female management-level employees from Nitto Head Office participated in “West Japan Diversity Workshops,” exchanging opinions with other corporations.



### Ratio of female management level employees by area

Americas	31%
Europe	14%
South Asia	29%
East Asia	23%
Japan	2%
Entire group	12%

(As of March 2014)

### Diversity of Executive Officers

There are no female executive officers in the Nitto Group. On the other hand, however, foreign executive officers occupy many managerial positions.

### Total number of foreign executive officers by area

Americas (21 companies)	30
Europe (16 companies)	17
South Asia (18 companies)	9
East Asia (34 companies)	21

(As of April 2014)

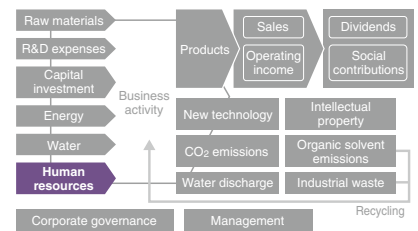
### Global Education of New Employees

In order for employees to acquire the linguistic skills necessary for them to participate in global markets and for them to understand different cultures through international experiences, all new employees of Nitto HQ were asked to participate in overseas training in fiscal 2013. Twenty-eight employees were divided into three courses according to individual linguistic ability. The participants learned mainly foreign languages for four weeks at overseas enterprises or language schools and experienced cultural exchanges.

Not a few took the occasion to widen their circles of acquaintances. We anticipate they will further their ambitions, developing their sense of inquiry and take advantage of opportunities in the future.



At a language school in Vancouver, Canada



## Prohibition of Child Labor and Forced Labor

In global markets, child labor and forced labor are often issues of concern.

The Nitto Group clearly expresses its prohibition of the use of child labor and forced labor in the “Business Conduct Guidelines.” In fiscal 2013, we had no trouble with such issues.

## Cultivation of Human Resources

Global Business Academy (GBA), which cultivates future C-Level executives globally through selection of employees from group companies at home and abroad, is an education system consisting of four courses and launched in July 2011. Management is directly involved in the education, where the “Nitto Person,” who will be able to play an active role in the “2nd stage of globalization,” is cultivated.

In fiscal 2013, seventy-five participants from various countries took part in GBA. In the future, we plan to hold two courses of GBA-F and GBA-C in each region.



Group work

Furthermore, we set up NCS (Nitto Group Cultivation System) as the basic level of education for freshers joining the Nitto Group. NCS consists of the following six themes, which is administered in each group company.

Safety	5S	Quality	CSR	Environment	Corporate Philosophy
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### Number of GBA participants in fiscal 2013

Course	Purpose	Number of participants	Nation of origin	
GBA-E	Development of global business leaders	6	Thailand, U.S.A., Hong Kong, Japan	Twelve (6 foreigners) have finished the course so far, one of them female
GBA-A	Development of and networking opportunities for the next generation of global business leaders in each region and business sector	15	Taiwan, U.S.A., Hong Kong, Belgium, Korea, Singapore, India, Japan	Forty-nine (28 foreigners) have finished the course so far, two of them female
GBA-F	Development of next generation business leaders among globally available candidates	20	Japan, China, Korea	One female out of total participants in 2013
GBA-C	Development of core talent in order to become a learning organization	34	Japan	Five females out of total participants in 2013

## Promotion of Human Rights

We conduct business while respecting human rights under our “Nitto Group Basic Policy on Human Rights.” Since 2004, we have participated in an activity as a member of the Corporate Federation for Dowa and Human Rights Issues, Osaka, where corporations work toward solutions of human rights issues. In fiscal 2013, we actively engaged in their activities as the chair.

As to the handling of conflict minerals in the Democratic Republic of Congo (DRC) and neighboring countries, which has become controversial in recent years, we have enhanced our management according to the introduction of a policy in fiscal 2012.

### Nitto Group Policy on the Handling of Conflict Minerals\* (abstract)

- The Nitto Group has adopted the policy of not using any conflict minerals\* that are sources of funds for armed insurgents in the DRC and neighboring countries.
- The Nitto Group shall strive to make on-going specifications of smelters in order to avoid use of conflict minerals.
- The Nitto Group shall respond with integrity to inquiries related to conflict minerals from customers, and provide all information it has on the subject.

\* The term “conflict minerals” refers to those quantities of tantalum (Ta), tungsten (W), tin (Sn), and gold (Au) which are produced in the DRC and neighboring countries and are thought to be sources of funding for armed insurgents perpetrating serious human rights violations.

